

AMENDED IN SENATE AUGUST 19, 1999

AMENDED IN SENATE AUGUST 17, 1999

AMENDED IN SENATE JULY 7, 1999

AMENDED IN SENATE JULY 2, 1999

AMENDED IN ASSEMBLY MAY 19, 1999

CALIFORNIA LEGISLATURE—1999–2000 REGULAR SESSION

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**ASSEMBLY BILL**

**No. 1511**

**Introduced by Assembly Member Florez**

February 26, 1999

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An act to amend Section 6525 of the Government Code, relating to local government, *and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 1511, as amended, Florez. Joint powers authority: mutual water company.

Existing law authorizes public agencies to enter into joint exercise of power agreements to jointly exercise any power common to the contracting agencies and to issue bonds pursuant to the Marks-Roos Local Bond Pooling Act of 1985. Existing law expressly authorizes a mutual water company to enter into a joint powers agreement with any public agency for the purpose of exercising any power common to the contracting agencies.

This bill would provide instead that a mutual water company may enter into a joint powers agreement validly

entered into by public agencies but that ~~no joint powers agreement shall be construed to include a mutual water company within the definition of public agency or local agency under the Marks Roos Local Bond Pooling Act of 1985~~ shall not be considered a member of the authority for specified purposes.

*The bill would declare that it is to take effect immediately as an urgency statute.*

Vote: ~~majority~~<sup>2/3</sup>. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. Section 6525 of the Government Code is  
2 amended to read:

3 6525. Notwithstanding any other provision of this  
4 chapter, a mutual water company may enter into a joint  
5 powers agreement that has been validly entered into by  
6 public agencies pursuant to this chapter for the purpose  
7 of jointly exercising any power common to the  
8 contracting parties. ~~However, no joint powers agreement~~  
9 ~~shall be construed to include a mutual water company~~  
10 ~~within the definition of a "public agency" in Section 6500~~  
11 ~~or a "local agency" in Section 6585.~~

12 *However, a mutual water company shall not be*  
13 *considered a member of the authority for purposes of*  
14 *Section 6586.5.*

15 SEC. 2. The Legislature finds and declares that  
16 Section 1 of this act, which amends Section 6525 of the  
17 Government Code, is declaratory of existing law.

18 SEC. 3. *This act is an urgency statute necessary for*  
19 *the immediate preservation of the public peace, health,*  
20 *or safety within the meaning of Article IV of the*  
21 *Constitution and shall go into immediate effect. The facts*  
22 *constituting the necessity are:*

23 *In order to ensure that the bond market's confidence*  
24 *in California's municipal bonds is not threatened and that*  
25 *the improper use of mutual water districts to circumvent*  
26 *the Marks-Roos Act's geographic nexus requirement is*

1 *immediately halted, it is necessary for this act to take*  
2 *effect immediately.*

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